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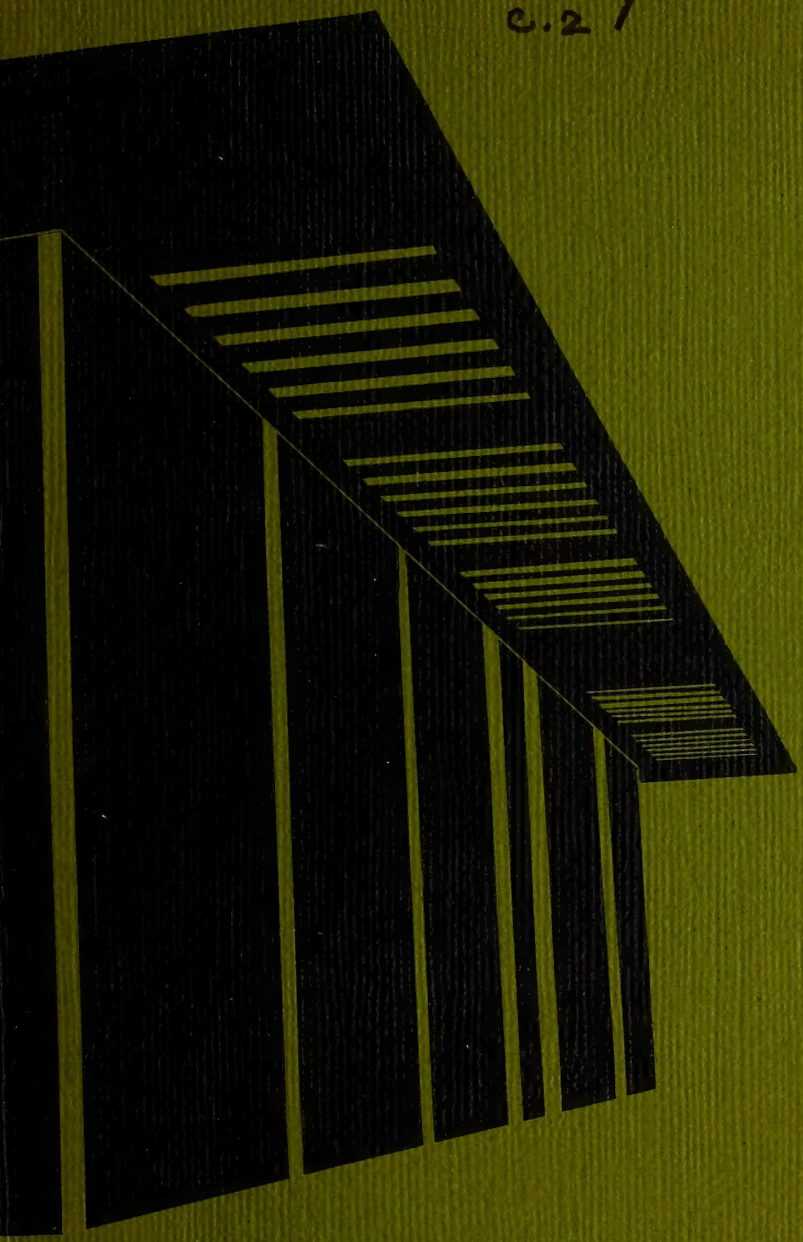

Public Improvements Program
&
Capital Improvements Budget

TOWN OF CANTON
INCORPORATED
1893
NORTH CAROLINA

PUBLIC IMPROVEMENTS PROGRAM

AND

CAPITAL IMPROVEMENTS BUDGET

FOR

CANTON, NORTH CAROLINA

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PUBLIC IMPROVEMENTS PROGRAM
AND
CAPITAL IMPROVEMENTS BUDGET
FOR
CANTON, NORTH CAROLINA

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CHAPTER 1

INTRODUCTION

The Town of Canton has been involved in a planning program for the past several years. Several planning publications have been prepared by the Canton Planning Board which include a land use survey and development plan, a central business district plan, a housing element, an annexation study and a community facilities plan. The previously mentioned planning elements can be categorized as constituting what is often referred to as the "comprehensive plan" or "master plan" which serves as the official statement of a planning group and/or legislative body which sets forth its major policies concerning desirable future growth development. The public improvements program is the mechanism that schedules for implementation the recommendations that were made in the other planning elements of the comprehensive plan, primarily the community facilities plan, which in this case is the Community Facilities Plan for Canton, 1971. The capital improvements budget also serves as an implementing tool in that it shows how the public improvements can be financed.

The demand for municipal service is continually increasing. This increased demand has been brought about primarily by two developments: (1) The number of people requiring services is increasing rapidly in most urban areas, and (2) The population as a whole is demanding an even higher level of service.

Municipalities are finding it necessary to expend substantial sums of money each year for the land, building, materials, construction and equipment needed to provide facilities for the protection of the community and to supply the numerous services demanded by the citizens. Municipal budgets

usually distinguish between funds which are to be expended for the physical plant and equipment and those expended for salaries, operations and public service. The physical facilities are variously designated as "public improvements," "public works," "capital improvements." The expenditures for these facilities are usually called "capital expenditures" or "capital outlays."

Since public improvements have a vital influence in determining the degree and direction of community development and since the cost of such improvements represents a sizable portion of all municipal expenditures, it is of utmost importance that all public improvements projects be developed as related items in the integrated program. The failure to coordinate properly individual projects may result not only in serious financial dislocations to the community, but also may be highly detrimental to its proper physical development.

The Purposes and Objectives of Long-Range Programming

Few jurisdictions are so fortunate as to have available at any given time sufficient revenues or staff to supply all the demands for new or enlarged public improvements. Consequently, most municipalities are faced with the necessity of making decisions as to the relative priority of specific projects and of establishing a schedule of capital improvements to be accomplished under the long-range public improvements program.

The Nature and Importance of Programming

In substance, the public improvements program is simply a planned program for providing public capital improvements. In operation, it proceeds on the basis of a priority of capital items prepared against a

background of current and anticipated demands and the present potential financial resources of the community. The public improvements program should be considered as a major tool of planning for guiding public improvements of the community along desirable channels and insuring that these improvements proceed in an orderly manner. It is not a device to encourage the spending of more public monies, but is a means by which an impartial evaluation of needs can be made and a timetable established with the development of these projects which are authorized or contemplated.

Long range programming of public improvements is based on three fundamental considerations. First, the proposed projects must be selected on the basis of community needs. Second, the projects must be developed within the financial resources of the community pursuant to a sound financial plan. Third, the program must be kept flexible through annual reviews and revisions. The observance of these considerations implies the analysis of many factors within the community as well as an evaluation of the proposed improvements.

Benefits from Programming

The benefits to be derived from the programming of public works are numerous. In the first place, programming requires the heads of operating departments to plan for the future and to anticipate their needs for capital expenditures over a period of years. Secondly, programming offers a better prospect for getting first things done first. It establishes a sounder basis for budgeting decisions and helps to insure that current decisions will be related to long range trends. Thirdly, from the standpoint of economics, a sound public improvements program may produce

substantial savings and point the way toward needed budgetary or financial reform, which have a lasting value on improving overall city management. The public improvements program offers the municipality an opportunity to pro-rate the number of improvements over a period of years, thereby tending to establish a more nearly consistent tax level. Programming of the improvements often makes it possible to achieve economics through the acquisition of land as sites for public buildings, and other facilities at a more opportune time since the future needs can be anticipated in advance of the actual budget authorization and hence the land may frequently be acquired at lower figures. As a result of long-range programming, engineering plans may be prepared well in advance of construction, thus making more time available for checking and re-checking. Furthermore, through programming, it is possible to anticipate and facilitate a more even work program, thereby minimizing lay-offs, rehiring, etc.

Capital Improvements Budget

In addition to providing a public improvements program for the Town of Canton, this planning document will also include a complete section dealing with a proposed capital improvements budget. The public improvements program and the capital improvements budget are often handled as two separate studies. These two elements are dependent on each other and thus inseparable and for this reason, they are combined into one planning document.

In explanation of what a capital improvements budget actually is, it should be, at the immediate outset, distinguished from an annual budget in that an annual budget is a guide for all governmental expenditures undertaken during the fiscal year whereas a capital improvements budget

depicts the public improvements needed over a number of years. Six years is ordinarily the period over which a capital improvements budget is programmed. In the first year, the capital improvements budget makes definite budget recommendations, and if accepted, is integrated into the city's annual budget for the year. The remaining five years of the capital budget are merely recommendations, each of these years being considered for integration into the corresponding year of the annual budget as that particular year approaches.

The capital improvements budget should be kept continually at a six-year length. Each year, the future needs should be re-examined and the sixth year added.

The public needs to be so budgeted are taken on a priority basis from the public improvements program which looks ahead, five, ten, even up to twenty years. These needs are then broken down into specific periods; the first, composed of six years, is used as a basis for the original capital improvements budget.

Prior to 1920, very few towns had any experience with capital budgeting. Today such budgets are common in even small municipalities. These municipalities have realized because of such budgeting, a definite reduction in costs of capital expenditures. This cost reduction is possible because a capital outlay is related to financial resources, resulting in the stabilization of expenditures for capital items. The budget also makes it easier for the governing body to make budget decisions.

Before a capital improvements budget is prepared, it is necessary, of course, for a public improvements program to be prepared which outlines the needed capital improvements or public improvements over a certain

period of time. In addition there is a need for a financial analysis to be completed which indicates reliable information of the present and future ability of the community to pay for the cost of construction and maintenance of all public improvements. This determination should be based on three factors: (1) Estimates of the present financial resources and probably future trends in revenues and expenditures; (2) An appraisal of the various factors influencing the operation of the program and (3) Ascertainment of the legal limitation and prior commitments which restrict the freedom of the town to adopt a particular policy. From these considerations, the town must determine the amount of funds available for the construction of public improvements.

There are two phases to the financial analysis. The first is a review of current expenditures, fixed charges and debt service over the past several years and an estimated projection of these items over as many years as is possible. In making these projections, the goals of each department should be considered along with the measurement of needs for these specifics.

The second phase of the financial analysis is the complete review and projection of the revenue structure. Revenue forecasting can be done by extending growth trends, but plans for local land, the economic base of the community, employment trends, population growth, etc., must also be taken into account.

The public improvements program, as has been indicated earlier, identifies projects and recommends priorities in order to meet the planning objectives of the community. Then the capital improvements budget takes these projects and recommended priorities and tries to fit them to the

town's ability to pay.

Therefore, it is the purpose of this report, to arrange, in a priority listing, the facility recommendations in the Community Facilities Plan for Canton. In addition to the recommendations in the Community Facilities Plan, discussions were held with various city officials to determine shifts or additions to the priority rating since completion of the plan.

It should be pointed out that the scheduling of these improvements, as set forth in this report, is based on discussions with community leaders and should be subject for re-examination yearly. The cost of improvements change rapidly and render plans obsolete unless given annual and continuing attention. This public improvements program and capital improvements budget for the Town of Canton will present, perhaps, a guide for the orderly development of the community as based on existing trends and existing assumptions.

The twenty-year public improvements program for Canton is grouped into two categories:

Short-Range Projects

The short-range projects are based primarily on present community needs and should be initiated and/or completed during the next six-year period. These projects will be used in Chapter 3, Capital Improvements Budget, of this study. The short-range projects consist primarily of priorities A and B (defined below).

Long-Range Projects

The long-range projects are based on future needs and are required to improve facilities and services during the remaining fourteen-year period. These projects are programmed according to the availability of funds,

projected growth, community needs, and completion of other projects. The long-range projects consist primarily of priorities C and D (defined below).

Priorities

One of the most important aspects of a public improvements program is the assigning of priorities to the various projects to assure that the proposed projects are undertaken in their proper sequence. In determining priorities the following criteria were used:

> Priority A, URGENT - projects which cannot reasonably be postponed. These may be needed to complete an essential, partially finished project, to maintain a minimum, presently established departmental program, or to meet an emergency situation.
>
> Priority B, NECESSARY - projects which should be carried out within a few years to meet anticipated needs of a current departmental program or for replacement of unsatisfactory facilities.
>
> Priority C, DESIRABLE - projects needed for a proper expansion of a departmental program. The exact timing of these can wait until funds are available.
>
> Priority D, DEFERRABLE - projects which would be needed for ideal operation but which cannot yet be recommended for action. They can be postponed without detriment to present services.

Cost estimates for the proposed short-range improvements are shown, but are considered "general" appraisals to be used as a basic guide to the financial involvement of public improvements. The probably sources of funds are also indicated. Appendix A gives a synopsis of each method of financing recommended capital improvements.

CHAPTER 2

PUBLIC IMPROVEMENTS PROGRAM

Abbreviations used in the funding source section of the Public Improvements Program are as follows:

CR	Current Local Municipal Revenue
GO	General Obligation Bonds
RB	Revenue Bonds
HUD	Department of Housing and Urban Development
FmHA	Farmers Home Administration
ARC	Appalachian Regional Commission
SHC	North Carolina State Highway Commission
LEAA	Law Enforcement Assistant
LO	State of North Carolina, Division of Law and Order
PB	Powell Bill funds
BOR	Bureau of Outdoor Recreation
CF	County Funds
OM	Other Municipalities
BA	Benefit Assessment Upon Property Owners

SHORT-RANGE PROJECTS, 1973-1978

Improvement	Approximate Cost	Funding Source[1]	Priority[2]	Recommended Timing
WATER SYSTEM				
Improvements are needed to the Penland Water Filter Plant at Pigeon River that will almost double its treatment capacity in order to supply any immediate increase in demand. These improvements include slide-gates, utilizing liquid chemicals, improved filter materials, floculation, etc.	$60,000	CR and/or HUD, FmHA, RB	A	1973
A water rate study should be made by an engineer to determine feasibility of financing needed water system improvements through water revenue.	$ 2,000	CR	A	1973
Construct an additional water storage tank (1,000,000 gal. capacity) in order to help provide adequate fire protection immediately and additional storage capacity for consumption.	$100,000	CR and/or HUD, FmHA, RB	A	1974
Construct a dam and thus, an impoundment at Rough Creek to insure an adequate water supply during dry weather.	$60,000	FmHA, HUD, RB, CR	A	1974
Obtain necessary right-of-way and improve accessibility to difficult to reach Penland Plant water storage tank.	$ 2,500	CR	A	1973

1 See Appendix A

2 See Chapter 1, Introduction

SHORT-RANGE PROJECTS, 1973-1978 (continued)

Improvement	Approximate Cost	Funding Source[1]	Priority[2]	Recommended Timing
A flow analysis should be made of distribution system to determine: the ability of system to provide water to additional areas; to provide better domestic service and fire protection to current customers; to point out weaknesses in distribution system. The Town can provide the necessary data that should be analyzed by an engineer who would make recommendations.	$ 3,000	CR	B	1974
Construct a new water filtration plant at Rough Creek in order to improve the quality of water from that source.	$750,000	HUD, ARC, RB, CR	B	1975
Canton, Waynesville, and Clyde should jointly establish uniform water system extension, expansion and improvement policies in regard to possible future regionalization.	------	--------	C	1974
Provide treatment for wastewater from water treatment plant at Penland Water Filter Plant to meet requirements of the State of N. C., Division of Water and Air Resources	$20,000	CR	B	1974-1975
Construct a 12" water line from Beaver Dam Road to Clyde Road to tie the Rough Creek and Penland Street systems together. Improve circulation of system by eliminating dead-end lines at the following locations:	$23,280	CR	B	1974

1 See Appendix A

2 See Chapter 1, Introduction

SHORT-RANGE PROJECTS, 1973-1978 (continued)

Improvement	Approximate Cost	Funding Source[1]	Priority[2]	Recommended Timing
Along Lawrence St. from North Main St. to Through St.	$ 2,640	CR	B	1974
Along West Park St. between Academy and Main Streets.	$ 2,400	CR	B	1974
Along Thompson St. between Cherry St. and Elementary School.	$16,368	CR	B	1975
Extend the Virginia St. line to the Academy Street line.	$ 2,400	CR	B	1975
Connect the Laura St. line to the Virginia St. line.	$ 1,200	CR	B	1976
Extend the Allen Farm Road line to the Academy Farm Road.	$15,648	CR	B	1976
Extend the 2" line at Oakland Circle to Hampton St.	$ 1,680	CR	C	1977
Replace existing 4" line along Hampton Street to Oakland Circle with 6" line.	$ 5,904	CR	C	1978
FIRE DEPARTMENT				
Install fire hydrants at the following locations:				
At the south side of the Pisgah High School complex near the shop area.	$ 300	CF	A	1973
On Thompson Street	$ 300	CR	A	1974

1 See Appendix A

2 See Chapter 1, Introduction

SHORT-RANGE PROJECTS, 1973-1978 (continued)

Improvement	Approximate Cost	Funding Source[1]	Priority[2]	Recommended Timing
Purchase of new pumper to replace the 1954 Ford pumper.	$35,000	CR	B	1974
Convert the 1948 LaFrance pumper into a 1,200 gallon tanker.	$ 500	CR	C	1975
POLICE DEPARTMENT				
Train policemen in drug control riot control, dispatcher, traffic control, and similar training programs.	To Be Determined	LEAA, LO, & CR	B	1973 thru 1978
Hire an additional policeman for each increment of 500 persons added to the town through annexation or normal growth.	$ 6,000	CR	B	1977
Purchase an additional police car.	$ 4,200	CR	B	1975
SANITARY SEWERAGE				
Extend sewer main from Beaver Dam Rd. north to Town limits.	$1,800	CR	A	1973
An 8" sewer main is needed in the Meadowbrook area to replace inadequate transite line.	$6,000	CR	A	1973
Connect Substation Rd. line to Oxley Rd. line to bypass the Pigeon St. pumping station in order to relieve the overload on the pumps.	$3,500	CR	B	1975

1 See Appendix A

2 See Chapter 1, Introduction

SHORT-RANGE PROJECTS 1973-1978 (continued)

Improvement	Approximate Cost	Funding Source[1]	Priority[2]	Recommended Timing
Extend sewerage service to areas that are proposed for annexation when and if the areas are annexed, using the Annexation Study for Canton, N. C., 1970 as a general guide.	To Be Determined	FmHA,CR	B	1974 thru 1978
Have an aerial survey of the Town and planning area made in order to provide Canton with much needed topographic maps for the sewer and water departments as well as other agencies.	$4,500	CR	B	1974
STREET SYSTEM, STREET MAINTENANCE AND SOLID WASTE DISPOSAL				
Purchase an additional 20 cubic yard packer-truck for solid waste removal.	$20,000	CR	A	1973
Preparation of a revised transportation plan for the Town and its immediate adjacent area by the State Highway Commission to determine priorities and costs.	$21,000	SHC & CR	A	1973
Purchase right-of-way, straighten and widen Penland St. just south of Clyde St. to eliminate the hazardous curve and jog.	To Be Determined	SHC & CR	A	1974 & 1975
Purchase right-of-way and extend Woodside Drive across Old Clyde Road and the Southern R.R. to tie in with U.S. 19-23.	To Be Determined	SHC & CR	B	1977 & 1978

1 See Appendix A

2 See Chapter 1, Introduction

SHORT-RANGE PROJECTS, 1973-1978 (continued)

Improvement	Approximate Cost	Funding Source[1]	Priority[2]	Recommended Timing
Upon the completion of the revised transportation plan for the Town, utilize the plan recommendations for the construction of an inner-town loop system; if a feasible route can be located.	To Be Determined	SHC & CR	B	1975-1978
Initiate a program in conformance with the revised transportation plan to purchase highway right-of-way property critical to the construction of new highway routes.	To Be Determined	SHC & CR	B	1973-1978
Purchase a new truck every two years to replace oldest truck.	$9,000	CR	B	1974-1976-1978
Pave and upgrade the following streets:				
Through Street	$4,000	PB, BA	A	1973
Sharptown Road	$20,000	PB, BA	A	1973
Roberts Street	$3,500	PB, BA	A	1973
Young Street	$2,000	PB, BA	B	1974
McNaul Street	$2,000	PB, BA	B	1974
Hillcrest Street	$4,500	PB, BA	B	1975
Northside Street	$11,000	PB, BA	B	1975
Frank Street	$7,000	PB, BA	B	1976

1 See Appendix A

2 See Chapter 1, Introduction

SHORT-RANGE PROJECTS, 1973-1978 (continued)

Improvement	Approximate Cost	Funding Source[1]	Priority[2]	Recommended Timing
Storm drainage problems exist at the following locations and should be corrected: High St., Thompson St., Main St., Academy St., and Mears Avenue.	To Be Determined	CR & PB	B	1974-1977
ADMINISTRATION, MISCELLANEOUS, AND SPECIAL FACILITIES				
Acquire land and construct a minimum of 75 regular units of low-rent public housing and 25 units for the elderly.	$1,500,000	HUD	A	1973
Expansion of the current town garage is needed to accommodate town equipment and supplies.	$50,000	CR	D	1974
In conformance with the Town's C.B.D. improvements program place overhead wiring underground between Main and Park Streets.	$75,000	HUD & CR	C	1976
Purchase necessary equipment to enable the Town to utilize the City of Asheville's computer system that will enable Canton to computerize its customer billing service.	$9,000	CR	C	1974
Acquire land and construct an additional 100 units of low-rent public housing, 20 of which will be used for the elderly.	$1,500,000	HUD	B	1976

1 See Appendix A

2 See Chapter 1, Introduction

SHORT-RANGE PROJECTS, 1973-1978 (continued)

Improvement	Approximate Cost	Funding Source[1]	Priority[2]	Recommended Timing
RECREATION				
Lease or purchase land adjoining YMCA for public recreation park and renovate athletic facilities at this site.	$15,000	BOR and/or HUD, CR	A	1973
Light existing tennis courts at Memorial Park.	$6,000	BOR, CR	A	1973
Complete partially developed athletic field at Memorial Park to consider using as an all-purpose facility.	$20,000	BOR, CR	B	1974 & 75
Acquire land and develop a neighborhood park to serve the north Canton area, of at least five acres, that includes a ballfield, play lot, play apparatus, picnic area with shelters and off-street parking space.	$30,000	BOR and/or HUD, CR	B	1976 thru 1978
A minimum of seven play-lots of one-half acre each within town for small children are needed in all residential neighborhoods within the Town.	To Be Determined	BOR and/or HUD, CR	B	1974 thru 1978
Employ a full-time recreation director - jointly with Haywood County & other municipalities within the county.	$12,000 per yr.	CR, CR, OM	C	1976

1 See Appendix A

2 See Chapter 1, Introduction

LONG-RANGE PROJECTS, 1979-1993 (continued)

Improvement	Funding Source[1]	Priority[2]
WATER SYSTEM		
The towns of Canton and Waynesville should connect their water systems between Lake Junaluska and Clyde with a water main that has a control valve and meter; thus, providing either town with a source of water in case of an emergency.	HUD, ARC OM, CF, CR FmHA	C
Provide adequate water service and fire protection to those areas that may be annexed in conformance with the Annexation Study for Canton, N. C., 1970.	CR	C
Place a 16-inch water main from the Rough Creek filtration plant to the Spruce Street Reservoir to augment the existing 6" line.	CR	C
POLICE DEPARTMENT		
Employ an additional policeman for each increment of 500 persons added to the town through annexation or normal growth.	CR	C
SANITARY SEWERAGE		
Plan for and extend the sewer system into each annexation area in conformance with the sequence listed in the Annexation Study for Canton, N. C., 1970: (1) Gosset-Newfound (2) Woodside Drive (3) Phillipsville (4) Penland Street (5) Waynesville Road (6) Dutch Cove (7) North Canton (8) Green Hill (9) Star Ridge	CR	C

1 See Appendix A

2 See Chapter 1, Introduction

LONG-RANGE PROJECTS, 1979-1993 (continued)

Improvement	Funding Source[1]	Priority[2]
STREET SYSTEM, STREET MAINTENANCE AND SOLID WASTE DISPOSAL		
Purchase two solid-waste packer trucks to replace the existing trucks.	CR	C
If and when the town annexes large areas additional personnel for solid waste collection and an additional truck will be needed to serve the areas.	CR	C
Canton, its neighboring municipalities and Haywood County should consider jointly establishing a sanitary landfill operation at one location.	ARC, FmHA, CR, OM, CR	D
The town should continue to implement the revised transportation plan that is to be prepared by the State Highway Commission.	SHC, CR	C
ADMINISTRATION, MISCELLANEOUS, AND SPECIAL FACILITIES		
Purchase land and construct 200 units of low-rent public housing units or similar facilities.	HUD	C
RECREATION		
When the consolidated dual-unit armory is constructed, the old armory building on Penland Street could be used for an indoor recreation program to supplement the existing recreation program.	HUD and/or BOR, CR	C

1 See appendix A

2 See Chapter 1, Introduction

LONG-RANGE PROJECTS, 1979-1993 (continued)

Improvement	Funding[1] Source	Priority[2]
Acquire the Penn Avenue School when the school board discontinues its use. The building and grounds can be used for recreation purposes.	HUD and/or BOR, CR	D
Establish walking and bike paths south of the Champion Papers Plant along the riverside of Pigeon River. A boat outlet on the Pigeon River across from the Junior High School should be developed to accommodate canoes, kayaks and other shallow draft boats.	HUD and/or BOR, CR	D

1 See Appendix A

2 See Chapter 1, Introduction

CHAPTER 3

CAPITAL IMPROVEMENTS BUDGET

As was previously discussed in Chapter 1 an understanding of the financial capability of Canton's municipal government is necessary before an evaluation can be made of the ability of the municipality to finance the needed capital improvements that are recommended in the public improvements program.

Revenues and Expenditures, 1967-1972

General fund expenditures and revenues for the Town of Canton during the last six-year period are shown on Tables 1 and 2. Also shown on these tables are revenues and expenditures for the special funds which include the recreation fund, the debt service fund and the water and sewer fund.

General fund revenues for Canton have increased from $394,558 in 1967, to $542,094 in 1972, a gain of $147,536. The largest revenue producer for the town has been the property tax which combined with the related delinquent taxes, penalties and interest on taxes totaled $329,303 in 1972. Canton's tax rate has fluctuated from $1.18 in 1967 through 1969, to $1.30 between 1970 and 1972. The current tax rate is $1.20 per $100 of assessed valuation. The franchise tax was the second largest source of income in 1972, $103,055, followed by the street aid fund (Powell Bill Funds), garbage fees, and the intangible tax as the major sources of revenue. With the exception of the franchise tax, which increased significantly from 1970 to 1972 due to state enabling legislation, general fund revenues have increased at a normal rate or have remained fairly constant.

The recreation fund revenue within the special funds revenues has remained in the $20,000 range during the study period, while the debt service

TABLE 1

GENERAL AND SPECIAL FUNDS REVENUE BY SOURCE, CANTON, NORTH CAROLINA, 1967-1972[1]

Source	1967	1968	1969	1970	1971	1972
General Fund						
Property Tax[2]	$284,692	$284,904	$293,327	$300,229	$307,382	$329,303
Franchise Tax	16,607	16,387	16,926	46,833	81,907	103,055
Intangible Tax	9,043	9,795	11,393	13,723	10,996	14,530
Privilege License	4,255	4,502	4,166	4,341	4,279	4,154
Street Assessments[3]	13,807	6,590	3,578	6,187	4,077	3,500
Parking Meter & Lot Collections	6,810	7,061	7,677	7,054	6,421	5,970
Fines and Penalties[4]	3,340	1,668	2,017	2,053	1,652	1,646
Garbage Fees	16,187	16,569	16,568	16,590	16,584	16,706
Contractual Services	2,360	3,060	2,840	4,540	4,100	3,920
Refund of Sales Tax	2,059	2,058	2,926	2,862	1,759	2,808
Refund of Gasoline Tax	1,904	1,892	2,041	2,837	3,175	3,400
Interest Earned	4,508	3,775	4,311	3,708	1,975	4,396
State Street Aid Funds	24,374	25,763	26,577	29,249	31,453	31,300
Miscellaneous Revenues[5]	4,612	6,492	17,575	11,598	8,880	16,348
TOTAL GENERAL FUND	$394,558	$390,516	$411,922	$451,804	$484,640	$542,094
Special Fund						
Recreation Fund	23,290	24,082	26,579	22,492	22,015	20,240
Water and Sewer Fund	104,835	106,147	114,002	111,063	109,337	156,359[6]
Debt Service Fund	54,947	46,350	44,264	41,223	83,513	82,499
TOTAL SPECIAL FUNDS	$183,072	$176,579	$184,845	$174,778	$214,865	$259,098
GRAND TOTAL	$577,630	$567,095	$596,767	$626,582	$699,505	$801,192

Source:
Town Audits, 1967-1972

[1] For years ending June 30.
[2] Includes delinquent taxes, penalties, and interest on taxes.
[3] Includes interest.
[4] Includes parking meter violations, court costs and police charges.
[5] Includes sale of fixed assets in 1972; also includes dog licenses, fire protection charges, inspection fees, sales of labor and material, emergency employment act funds, and rents.
[6] Includes $40,573 in revenue from local one cent sales tax to provide funds for capital improvements to the water and sewer system.

fund increased from $41,223 in 1970 to $83,513 in 1971. This can be accounted for by the transfer of funds to this fund to allow for the first annual payment of the town hall bonds. The amount of the water and sewer fund revenue increased almost 50 percent in 1972, to $156,359. This includes $40,573 that was allocated to this fund from the local one-cent sales tax to provide funds for capital improvements to the water and sewer systems. General fund and special fund revenues for Canton from 1967 to 1972 are shown on Table 1.

General fund expenditures have increased from the annual rate of $362,587 in 1967 to $513,043 in 1972. The street department, which in this report also includes supervision, construction, maintenance, cleaning and lighting, accounted for the largest expenditure in 1972 with $144,519. The police department and general government administration have shown the next largest expenditures within the general fund by spending $106,236 and $103,782 respectfully in 1972.

The total for the special funds expenditures in 1972 was $247,158 with the water and sewer fund and the debt service fund constituting the largest expenditures. Expenditures by source for Canton in the 1967 to 1972 period are shown on Table 2.

In summary, the general fund revenues have exceeded the general fund expenditures when considering the study period as a whole. In only one year was there actually a deficit in the general fund. That was in 1971 when expenditures exceeded revenues by $8,739 and even then the surplus of funds from the preceeding year balanced the budget for that year. The general fund has been in basically sound financial condition during the last six-year period. The main point of interest in the special fund is the water and

TABLE 2

GENERAL AND SPECIAL FUNDS EXPENDITURES BY SOURCE, CANTON, NORTH CAROLINA, 1967-1972[1]

Source	1967	1968	1969	1970	1971	1972
General Fund						
General Government Administration	$ 51,667	$ 51,819	$ 54,753	$ 85,519[2]	$ 93,009	$103,782
Tax Collection and Finance	23,684	24,162	25,026	26,122	28,319	33,531
Police Department[3]	71,860	77,807	85,253	89,428	98,805	106,236
Fire Department	37,732	39,247	41,706	47,189	55,320	61,906
Street Department[4]	113,426	121,892	123,306	135,817	133,583	144,519
Building Inspection	3,366	3,446	3,552	3,793	3,909	4,945
Solid Waste Collection & Disposal	48,586[5]	37,008	39,800	41,918	67,330	42,297
Town Garage	8,356	8,327	9,215	12,740	10,260	12,619
Miscellaneous[6]	3,910	3,246	2,856	2,777	2,844	3,208
TOTAL GENERAL FUND	$362,587	$366,954	$385,467	$445,303	$493,379	$513,043
Special Funds[7]						
Recreation Fund	21,402	23,712	21,236	18,072	29,723	24,167
Water and Sewer Fund	107,305	97,550	103,166	116,804	108,155	132,979
Debt Service Fund	43,387	42,531	41,661	38,777	92,573	90,012
TOTAL SPECIAL FUNDS	$172,094	$163,793	$166,063	$173,653	$230,451	$247,158
GRAND TOTAL	$534,681	$530,747	$551,530	$618,956	$723,830	$760,201

Source:
Town Audits, 1967-1972

[1] For years ending June 30.
[2] Includes $20,000 for recreation park improvement fund.
[3] Includes traffic control.
[4] Includes supervision, construction, maintenance, cleaning and lighting.
[5] Includes $10,797 for motor vehicles.
[6] Includes dog pound (1967), Christmas lighting and cemetary maintenance.
[7] Does not include Capital Project Funds.

sewer fund that was basically self supporting except during 1972 when the revenue from the one-cent sales tax was allocated to this fund to help defray the cost of making improvements to the system. Ideally, the system should be self supporting. If major improvements are needed then revenue bonds should be sold and amortized through customer utility rates.

Revenues and Expenditures, 1973-1978

It is very difficult to accurately project revenues and expenditures for a small municipality. Several factors can greatly affect the economy of a municipality such as the gain or loss of a single industry, a significant change in the local, state or national economy, the decline of the central business district, etc. Thus, as the economy and population of a municipality changes - so does the financial well being of the municipal government. However, sound fiscal management is the major role in balancing the budget.

In an attempt to gain an insight as to the amount of money that Canton will have available to aid in the financing of needed public improvements during the next six-year period mathematical projections were made for the 1973 to 1978 period for expenditures and revenues using primarily the trends from 1967 to 1972 as input data, thereby, basically assuming that the past financial trends will be indicative of future trends.

Three mathematical projections for each category were made using the geometric, arithmetric and least squares methods. In most cases an average of two projections was utilized in developing the budget. In several cases the projected figures reflected sudden increases or decreases in expenditures and revenues, which were the result of nonrecurring items, or estimated 1973 figures. Where this occurred, projections were used which minimized abrupt fluctuations and maintained a steady rate of increase.

Also considered in determining future projections were anticipated major changes in policy or responsibility. Projections were modified to reflect these anticipated changes.

As is depicted in Table 3, the largest projected source of revenue for the general fund will continue to be the property tax at $506,160 in 1978 and the franchise tax of $206,923 for the same year. Even though Canton lowered its tax rate from $1.30 to $1.20 in 1972 the estimated property tax revenue for 1973 is expected to increase approximately 25 percent. This is due primarily to a recent increase of approximately $12,000,000 in assessed valuation. Other items that will increase the revenue of the general fund will be the local sales tax and the state street aid fund (Powell Bill Fund). The state street aid fund was increased from $31,300 in 1972 to an estimated $58,000 in 1973. The local sales tax is now allocated to the general fund. The most significant special fund revenue for the study period will be the recently appropriated Federal revenue sharing funds of approximately $120,000 annually. According to Federal guidelines these funds are to be used for capital improvements. Estimated revenue for 1973 to 1978 is shown on Table 3.

Estimated general fund expenditures for the town includes the normal increases for operating expenses, the revised city employee salary schedule and hiring of additional personnel. The street department, police department, government administration and fire department will constitute the largest projected departmental expenditures. The projections also assume that the revenue sharing funds that are placed in the special funds category in Table 4 will be expended each year - assuming that this federal program continues.

TABLE 3

ESTIMATED GENERAL AND SPECIAL FUNDS REVENUE BY SOURCE, CANTON, NORTH CAROLINA, 1973-1978[1]

Source	1973[7]	1974	1975	1976	1977	1978
General Fund						
Property Tax[2]	$434,359	$446,190	$459,119	$473,491	$489,615	$506,160
Franchise Tax	100,000	131,642	150,463	169,283	188,103	206,923
Intangible Tax	15,000	15,870	16,824	17,777	18,730	19,684
Privilege License	4,100	4,182	4,125	4,096	4,068	4,039
Street Assessments[3]	3,800	3,200	2,987	4,000	4,000	4,000
Parking Meter and Lot Collections	6,000	5,965	5,772	5,580	5,387	5,194
Fines and Penalties[4]	1,515	1,600	1,600	1,650	1,670	1,700
Garbage Fees	16,200	16,861	16,920	16,987	17,069	17,143
Contractual Services	4,000	4,921	5,608	5,877	6,330	6,970
Refund of State Sales Tax	2,300	2,958	3,138	3,180	3,244	3,541
Refund of Gasoline Tax	3,500	4,072	4,479	4,807	5,134	5,479
Interest Earned	4,000	4,494	4,530	4,695	5,239	5,407
State Street Aid Funds	58,000	59,600	61,167	72,216	74,674	75,523
Local Sales Tax	54,000	56,816	59,656	61,898	64,370	67,585
Miscellaneous Revenues[5]	59,720[8]	25,140	25,773	26,422	27,286	28,480
TOTAL GENERAL FUND	$766,493	$783,511	$822,161	$871,959	$924,919	$957,828
Special Funds						
Revenue Sharing Funds[6]	$120,000	$120,000	$120,000	$120,000	$120,000	$120,000
Recreation Fund	31,337	20,562	19,833	19,103	18,374	17,644
Water and Sewer Fund	111,537[9]	116,432	117,482	119,031	123,584	131,132
Debt Service Fund	87,461[10]	96,340	106,755	119,861	127,131	136,058
TOTAL SPECIAL FUNDS	$350,335	$353,334	$364,070	$377,995	$389,089	$404,834
GRAND TOTAL	$1,116,828	$1,136,845	$1,186,231	$1,249,954	$1,314,008	$1,362,662

Source:
Division of Community Services for years 1974-1978; Town of Canton Budget, 1972-1973

[1] For years ending June 30.
[2] Includes delinquent taxes, penalties and interest on taxes.
[3] Includes interest.
[4] Includes parking meter violations, court costs and police charges.

Table 3 (Continued)

[5] Includes dog licenses, fire protection charges, inspection fees, sale of labor and material, building and electrical fees, and Emergency Employment Act funds.

[6] Not included in Town 1972-1973 Budget.

[7] Taken primarily from Town of Canton Budget, 1972-1973. The General Fund during the 1973 period as used here does not include inter-fund transfers.

[8] Includes $35,000 for appropriated fund balance from previous year.

[9] Does not include a $56,716 transfer from the General Fund.

[10] Includes a $26,000 transfer from the Water and Sewer Fund to pay sewer bond debt.

TABLE 4

ESTIMATED GENERAL AND SPECIAL FUNDS EXPENDITURES BY SOURCE, CANTON, NORTH CAROLINA, 1973-1978[1]

Source	1973[6]	1974	1975	1976	1977	1978
General Fund						
General Government Administration	$ 99,746	$114,113	$126,497	$152,177	$164,010	$176,056
Tax Collection and Finance	43,051	43,920	45,699	47,139	52,229	57,073
Police Department[2]	135,266	140,031	143,067	145,245	156,880	169,601
Fire Department	87,244	76,496	86,381	97,504	109,211	122,345
Street Department[3]	215,038	216,793	218,147	226,613	226,877	245,954
Building Inspection	5,818	5,900	6,506	7,265	8,238	9,124
Solid Waste Collection & Disposal	51,284	54,082	55,843	57,605	59,366	61,127
Central Business District	30,437	-	-	-	-	-
Town Garage	21,463	19,686	17,718	19,117	21,673	24,153
Library	8,515	8,600	8,950	9,300	9,550	9,900
Miscellaneous[4]	11,907	12,214	12,500	13,000	14,632	15,982
TOTAL GENERAL FUND	$709,776	$691,835	$721,308	$774,965	$822,666	$891,315
Special Funds[5]						
Revenue Sharing Fund	$120,000	$120,000	$120,000	$120,000	$120,000	$120,000
Recreation Fund	31,338	27,046	29,343	33,207	34,174	36,645
Water and Sewer Fund	168,253[7]	150,812	163,413	175,476	183,619	198,754
Debt Service Fund	87,461[8]	110,697	124,505	141,650	151,466	163,737
TOTAL SPECIAL FUNDS	$407,052	$408,555	$437,261	$470,333	$489,259	$519,136
GRAND TOTAL	$1,116,828	$1,100,390	$1,158,569	$1,245,298	$1,311,925	$1,410,451

Source:

[1] Division of Community Services for years 1974-1978; Town of Canton Budget, 1972-1973

[1] For years ending June 30.

[2] Includes traffic control.

[3] Includes supervision, construction, maintenance and lighting.

[4] Includes Christmas lighting, cemetary maintenance and off street parking.

[5] Does not include Capital Projects Funds.

[6] Taken primarily from Town of Canton Budget, 1972-1973.

[7] Includes a $56,716 transfer from the General Fund.

[8] Includes a $26,000 transfer from the water and sewer fund to pay sewer land debt.

In summary, if the amount of the general fund revenues that are projected do materialize and continue, specifically the property tax and revenue sharing, then with the possible exception of financing the needed water improvements, Canton should be able to implement most of the previously recommended public improvements programs and remain on a good financial basis. Because of the possibility of the short life of the revenue sharing funds this program should not be depended upon for the financing of any long term bonds. The water and sewer fund does not include the major improvements programmed for the water department because this fund is not a part of the general fund. Nevertheless, the projections indicate that this fund will incur a deficit in each year if only minor improvements are made to the system. Thus, a water rate study should be made to determine the feasibility of this system paying for itself through revising, if necessary, the customer utility rates to pay for the ammortization of revenue bonds that could finance the proposed major improvements.

Bonded Indebtedness

Cities often find themselves in the position of having to sell municipal bonds in order to finance major public improvements. The Town of Canton has found it necessary to sell bonds to finance improvements that were originally issued for a total of $1,000,000. That included sanitary sewer bonds in 1966, $420,000; bridge construction bonds in 1962, $80,000; and bonds to aid in the construction of a town hall in 1970, $500,000. As is indicated in Table 5, Canton currently has an outstanding bonded indebtedness of $845,000. The retirement date of these bonds are: 1982, for the bridge construction bonds; 1990, for the town hall bonds; and 1992, for the sanitary sewer bonds.

Table 5 shows the annual debt service requirements on existing bonded indebtedness for Canton from 1973 to 1980. Table 6 depicts the legal debt limit for Canton from 1973 to 1980 as estimated from the projected appraised valuation. When comparing Canton's existing annual debt service requirements to the projected debt limit the town appears to be in a favorable position to issue additional bonds for needed major public improvements, especially since the debt limit will be doubled in 1973 due to the legal debt limitation being based on appraised valuation instead of assessed valuation. However, this is a statutory limitation and the State of North Carolina Local Government Commission makes the final determination of a municipality's capacity for incurring debt. Some of the considerations used by the Commission in making the determination are: current interest rates, the condition of the national economy, current public debt per capita, the current assessment ratio, and the current ad valorem tax vote.

If bonds must be issued then the town should keep its debt retirement scheduled within an amount that reduces at least 25 percent of the principal to be due for amortization within a five year period. This policy will also insure that amortization of the bonds takes place within 20 years of issuance.

TABLE 5

ANNUAL DEBT SERVICE REQUIREMENTS

FOR CANTON, 1973-1980

Fiscal Year	Principal	Principal & Interest	Total Outstanding Bonded Indebtedness[1]	Estimated Debt Ratio[2]
1972-1973	$45,000	$87,272.50	$845,000	1.00 percent
1973-1974	45,000	84,722.50	800,000	.88
1974-1975	45,000	82,160.00	755,000	.78
1975-1976	45,000	79,935.00	710,000	.69
1976-1977	45,000	77,710.00	665,000	.61
1977-1978	45,000	75,485.00	620,000	.54
1978-1979	45,000	73,260.00	575,000	.47
1979-1980	45,000	71,035.00	530,000	.41

Source:
Division of Community Services.

[1] Calculated for the beginning of each fiscal year - July 1.
[2] Ratio is based on gross debt to estimated true property values.

TABLE 6

PROJECTION OF ASSESSED VALUATION AND LEGAL DEBT LIMIT,

FOR CANTON, 1973-1980

Fiscal Year	Projected Assessed Valuation	Projected Appraised Valuation	Projected Debt Limit
1972-1973	$42,381,603	$84,763,206	$3,390,528[1]
1973-1974	45,493,130	90,986,260	7,278,901[2]
1974-1975	48,604,658	97,209,316	7,776,745
1975-1976	51,716,186	103,432,372	8,274,590
1976-1977	54,827,714	109,655,428	8,772,434
1977-1978	57,939,242	115,878,484	9,270,279
1978-1979	61,050,770	122,101,540	9,768,123
1979-1980	64,162,298	128,324,596	10,265,968

Source:

Division of Community Services.

[1] Limitation of 8% of assessed valuation except for lands issued for water, gas, electric and power, sanitary sewer facilities ordered constructed by Division of Water and Air Resources. (See Appendix A)

[2] Limitation of 8% of appraised valuation except for lands issued for water, gas, electrical power, sanitary sewer facilities ordered constructed by Division of Water and Air Resources. Sanitary sewer bonds are not subject to limitation if found to be self supporting. (See Appendix A)

APPENDIX A

METHODS OF FINANCING CAPITAL IMPROVEMENTS

General Obligation Bonds

General obligation bonds are financed from property taxes, through benefit assessment, or by utility revenues. The assessed valuation of property in the municipality is pledged as security toward payment of general obligation bonds. These bonds are therefore, tax liens on all assessable property in the city.

State laws regulate general obligation bond sales by municipalities. North Carolina General Statutes set forth laws controlling debt limitations and tax levies for municipalities within North Carolina that includes the following:

DEBT:

(a) Voter approval required for contracting debt (issuing bonds or other obligations, contracts or agreements requiring payment beyond current fiscal year) if:

(1) amount of debt already contracted in a fiscal year exceeds 2/3 of net debt reduction for preceding year; (Article V, Section 4(1), or

(2) purpose of issue is for "non-necessary" expense (judicial determination - airports, hospitals, etc.) even if amount is within 2/3 rule. (Article V, Section 4(2); Prior to July 1, 1971, Article VII, Section 6)

(b) Other limitations on debt

(1) Debt, except for bonds issued for water, gas, electric and power, sanitary sewer facilities ordered constructed by Department of Water and Air Resources or to prevent beach erosion, limited to 8% of assessed valuation. (G.S. 160-383)

(a) Voter approval required for borrowing money secured by pledge of taxing power (contracts and agreements requiring payment beyond current fiscal year have no constitutional restrictions) if:

(1) amount of debt already contracted in a fiscal year exceeds 2/3 of net debt reduction of preceding year; (Article V, Section 4(2), or

(2) purpose of issue is not authorized by general law applicable to all cities and towns; (Article V, Section 4(2), or

(3) referendum is required by law.

(b) Other limitations on debt

(1) Debt, except for bonds issued for water, gas, electric and power sanitary sewer facilities ordered constructed by Department of Water and Air Resources or to prevent beach erosion,

DEBT (continued)

limited to 8% of appraised valuation. Sanitary sewer bonds are not subject to limitation if found to be self-supporting. (G.S. 159-55)

(2) Contracts and agreements requiring payment beyond current fiscal year are treated as if they were bond issues by requiring that they be approved by the Local Government Commission and that the sums committed thereby be counted against the legal debt limit. (G.S. 159-150)

TAX LEVIES

(a) Voter approval required for tax levies if:
   (1) proceeds are to be expended for "non-necessary" expense (Article V, Section 2(5); Prior to July 1, 1971, Article VII, Section 6)

(b) Other limitations on tax levies
   (1) Rate may not exceed $1.50 per $100 assessed valuation for expenses of proper government. Tax levies approved by the voters and for debt service may exceed the limitation. (G. S. 160-402)

   (2) Effective July 1, 1972, the general tax rate limit has been effectively raised for almost all cities. The rate limit remains $1.50, but it is stated in terms of appraised valuation.

(a) Voter approval required for tax levies if:
   (1) purpose of tax is not authorized by general law applicable to all cities and towns, (Article V, Section 2) or

   (2) referendum is required by law.

(b) Other limitations on tax levies
   (1) Effective Jan. 1, 1972, rate may not exceed $1.50 per $100 appraised valuation for expenses of proper government. Tax levies approved by the voters and for debt service may exceed the limitation. (G. S. 160A-209).

   (2) Special tax areas may be created to provide services within the special tax area. (Article V, Section 2(4).

As a practical financial rule, a municipality should keep its debt retirement scheduled within an amount that requires at least 25 percent of the principal always to be due for amortization within a five year period.

Revenue Bonds

Certificates called revenue bonds produce income through both principal and interest. Expenses can often be met exclusively from the earnings of a new facility (e. g. water plant). Interest rates on this type of bond depend on the type of facility financed and its economic feasibility.

State law regulates municipal revenue bond sales. The maximum length that bonds can run is 40 years, and the maximum rate of interest is six percent per annum. Revenue bonds do not count against the community's legal bonding capacity in that they eventually pay for themselves.

While revenue bonds are outside the debt limit, revenues must be sufficient to cover payment of the bonds after all operating costs have been met. It is sometimes necessary to increase user charges to meet these conditions.

Benefit Assessment

In order to pay in part or in full for an improvement, assessments are sometimes levied upon those property owners specifically benefitted by the improvement. Such an assessment may be levied against property fronting on a street to be paved or where a water or sewer line is to be installed. Special assessments usually apply also to churches, institutions, etc., that are ordinarily exempt from property taxes. General obligation bonds sold by a city are sometimes repaid through benefit assessment.

Current Revenues

In addition to general operating costs, current revenue funds are the major source of capital improvements in the Annual Budget. Financing from current revenue is a pay-as-you-go policy. Disadvantages occur when

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Current Revenues

In addition to general operating costs, current revenue funds are the major source of capital improvements in the Annual Budget. Financing from current revenue is a pay-as-you-go policy. Disadvantages occur when

expenditures are of comparatively large amounts. This results in unusual fluctuations in the tax rate which could be eliminated by distributing the cost over several years with long term bonds. Sometimes user charges, such as those for water, are increased so that capital improvements can be financed from current revenues.

Municipal Capital Reserve Fund

This is a municipal savings fund in which monies are added from the general fund or from a tax levied for this purpose. These monies are set aside, by ordinance, for future necessary capital expenditures.

This fund can be used to even out large capital expenditures which occur infrequently.

Subdivision Regulations

Subdivision regulations may require subdividers to provide certain public improvements at the time a new subdivision is built. Street grading and paving, water mains, storm and sanitary sewers and sidewalks may be required. If sufficient manpower and equipment are available, the municipality itself may install the improvements with the subdivider paying the cost. When the subdivider takes the responsibility for constructing improvements, the city must inspect the improvements before approval of the final subdivision plat, or a performance bond should be posted to guarantee that all improvements will be installed in accordance with specified standards.

State and Federal Grants and/or Loans

State and federal grant-in-aid programs are frequently available to plan, construct, and finance capital improvements. Revenue sharing is one of the new financial sources available to municipalities to aid in the

[illegible] are of comparatively large amounts. This results in normal
illuminations in the [illegible] which could be attained by distributing the cost
over several years with long term loans. Structures near cities, and in
cases for [illegible], are [illegible] to [illegible] capital improvements can be financed
from current revenues.

Adaptation to the Farmer's Need

This is a [illegible] method that in which studies are made into the
farmers need or [illegible] a new [illegible] for this purpose. These models are set
[illegible], by [illegible], for future [illegible] capital expenditures.

This [illegible] is used to [illegible] large capital expenditures which [illegible]
information.

Conclusion

Electrification [illegible] may [illegible] conditions to provide an [illegible]
public improvements as can [illegible] a new [illegible] is built. Street [illegible]
and [illegible], water [illegible], [illegible] and sanitary sewers and [illegible] may be
[illegible]. If [illegible] equipment and equipment are available, the [illegible]
[illegible] may [illegible] the [illegible] with the modifications having the
[illegible]. When the [illegible] have the responsibility for [illegible]
improvements, the [illegible] that [illegible] the improvements before approval of the
final [illegible]. Both of a [illegible] fund should be needed to [illegible]
that all improvements will be installed in accordance with a [illegible].

Plans and Future Development

Plans and future [illegible] programs are frequently available to
[illegible], [illegible], and [illegible] capital improvements. Lumber [illegible] is one of
the [illegible] sources available to municipalities as aid in the

acquisition of public facilities and improved services.

Private Gifts

Bequests, grants, donations, and private subscriptions of land, money, buildings, or equipment are sometimes made to cities. Several examples may illustrate possibilities: a local manufacturing company may build a facility for the municipality; an estate or trust may specify money or land for a public park; a service club may raise money to provide facilities for a public park or other public use. Care must be exercised, however, so that a particular gift will not become a burden to the town. A building donated for public use may not necessarily be free if it is obsolete and in need of remodeling. In the long run it may be cheaper for the town to construct a new building designed specifically for an intended and needed use.

APPENDIX B

ENVIRONMENTAL CONSIDERATIONS

PUBLIC IMPROVEMENTS PROGRAM AND

CAPITAL IMPROVEMENTS BUDGET FOR

CANTON, NORTH CAROLINA

The following is submitted to meet Federal requirements under Section 4-6a of the HUD Handbook, and State requirements as defined in the North Carolina Environmental Policy Act (GS 113A).

1. ABSTRACT. The public improvements segment of this study suggests priorities, cost estimates and methods of financing the needed community facilities that were primarily recommended in the Community Facilities Plan for Canton, North Carolina, 1971, for the next 20-year period. The six-year capital budget analyzes Canton's past fiscal trends and its current financial status. Anticipated revenues and expenditures are projected annually for the next six years in order to determine the town's ability to finance the community facilities that were recommended in the public improvements program.

2. ENVIRONMENTAL IMPACT? No adverse effects upon the environment are anticipated if any of the proposed projects are implemented. In fact, most of the projects should have beneficial effects on the environment. However, the environmental impact of individual projects cannot be realistically assessed until actual project planning and design occurs.

3. ADVERSE ENVIRONMENTAL EFFECTS? None are anticipated.

4. ALTERNATIVES TO PROPOSED PLANS? The proposed projects and plans are f flexible however, no alternatives are scheduled at this time. Natural alternative selections or variations would be made if the principal plan or

plans are abandoned.

5. RELATIONSHIP OF SHORT-TERM TO LONG-TERM EFFECTS ON ENVIRONMENT? The project plans include both immediate and future area needs, including large and small projects, thus, some of the proposed projects, if implemented, will have a very short-term effect on the environment while others being larger in scope will effect the environment over a longer time period.

6. IRREVERSIBLE AND IRRETRIEVABLE COMMITMENT OF RESOURCES? None.

7. APPLICABLE FEDERAL, STATE, AND LOCAL ENVIRONMENTAL CONTROLS.

Federal

National Environmental Policy Act of 1969.
Land and Water Conservation Fund Act - 1964.
Executive Order 11515 - Protection and Enhancement of Environmental Quality.
Environmental Quality Improvement Act of 1970.

State

State Environmental Policy Act, 1971.
Water and Air Quality Reporting Act, 1971.
Soil Conservation District Law, 1937.

8. MIGRATION MEASURES PROPOSED TO MINIMIZE THE IMPACT. Specific measures cannot be determined until the project planning and design phase is reached for each individual project recommended in this study.

plans are abandoned.

5. SUBORDINATE OF SHORT-TERM TO LONG-TERM EFFECTS ON ENVIRONMENT. The overlay plans include both immediate and future area needs, including large and small projects. Some, some of the proposed projects, if implemented, will have a very short-term effect on the environment while others being larger in scope will affect the environment over a longer time period.

6. IRREVERSIBLE AND IRRETRIEVABLE COMMITMENT OF RESOURCES? None.

7. APPLICABLE STATE, FEDERAL, AND LOCAL ENVIRONMENTAL CONTROLS.

Federal

National Environmental Policy Act of 1969.
Land and Water Conservation Fund Act - 1965.
Executive Order 11514 - Protection and Enhancement of Environmental Quality.
Environmental Quality Improvement Act of 1970.

State

State Environmental Policy Act, 1971.
Water and Air Quality Improvement Act, 1972.
Soil Conservation District Law, 1937.

8. INDICATION AGENCIES FOLLOWED IN MAKING THE IMPACT. Specific measures cannot be determined until the project planning and design phase is reached for each individual project as mentioned in this study.